

Request for Qualifications solicitation, DACA31-02-R-0001, dated December 11, 2001, is hereby amended as stated below. Changes are in *italic*. The proposal due date of January 24, 2002 at 1630 hours (4:30pm) is not extended. This amendment is provided in an adobe Acrobat".pdf" file on the Internet Website <http://rci.army.mil>.

1. The below question has been presented in writing to the Contract Specialist by a potential offeror.

Question: We have the following questions concerning the subject RFQ:

1. On page 21 of the RFQ, the final three bullet points request the following information:
 - Documentation which addresses and identifies the equity necessary (i.e., sources and amount) to obtain financing for a project of Presidio of Monterey/La Mesa (if required) and/or Fort Irwin, Moffett Federal Airfield and Parks RFTA.
 - Description of financial performance, including performance vis-à-vis projection in the development pro forma.
 - Economics of sharing arrangements between the principal members and investors, including identification of all sources of return to the owners and investors.

The Step 1 Submittal is a "Statement of Qualifications". "Preliminary project concept statement and financial return" are not supposed to be evaluated until Step 2, however; teams will have to develop their plans to this level in order to answer the referenced Step 1 bullet points with meaningful information. A pro forma, for example, is prerequisite to any discussions relative to return on investment or the amount of financing required. Please clarify your intent.

Response:

These are financial return questions for Step 2 Parts A and B. This information is not required for Step 1 Part A or B.

2. Change to top of Page 4, 1st paragraph:

At each specific installation, the selected developer (contractor), having been duly qualified as the best value for the Government to revitalize family housing may be permitted to undertake a variety of other residential and transient housing projects. *Any future projects will be within the geographic boundaries of the installation(s) included in this solicitation.*

3. Change to top of Page 16:

produced in Microsoft™ Word (no exceptions), 8 1/2" x 11" format (no exceptions), using 12-point type in the Arial font (no exceptions) *except that tables, charts, and 3rd party documentation may be in any format, type and size font.* Third party generated documents may be reproduced without format change and entered on the CD using any readily available format. The Army must receive signed submissions no later than 24 January 2002 at 1630 hrs (4:30 PM), Eastern Time (ET) at:

4. Change to Page 17, Section 4.1.3 (removal of words "(described in Section 4.4 below)")

- Permit the Evaluation Team and Source Selection Authority to reach a reasoned judgment regarding the offeror's qualifications.

5. Change to Pages 17 and 18:

4.2 Administrative Minimum Experience Requirements

The single-firm offeror or a principal member in a joint venture must submit a list of Projects with sufficient detail to demonstrate that it meets the following administrative minimum experience requirements. *Only information submitted in Part A of your proposal will be considered in the evaluation of minimum requirements. Questions which may arise as to the interpretation of the requirements of 4.2 should be resolved with the Contracting Officer prior to submission of your proposal.* An offer that fails to satisfy the administrative minimum experience requirements will not be eligible for further consideration and will be eliminated from competition. One principal member must meet minimum experience requirement 1, one principal member must meet minimum experience requirement 2, and one principal member must meet minimum experience requirement 3, although each need not be the same principal member: The minimum experience requirements are:

- 1) The offeror has, within the past ten (10) years, served as the primary developer and principal sponsor (with an ownership interest) in at least three (3) completed development projects, or completed project phases, each of which included a residential component consisting of a minimum of 200 units, all located within a geographic radius of one mile, of multi-family *low rise* (three stories or less), attached or detached family housing units. A phase or project is completed if at least 200 units have received a certificate of occupancy or similar occupancy permit and lease up has begun.
- 2) *The offeror has, within the past ten (10) years* provided property management including *property and* asset management for *at least* three (3) major residential projects, each of which included a rental residential component of at least 200 units, where those units of that project are located within a geographic radius of one mile. These “managed” *residential* projects do not have to be the same projects discussed in number 1 above.
- 3) The offeror has, within the past ten (10) years, structured, arranged, and managed the capital formation (*See Glossary, Appendix H*) including, equity and both short and long term debt, for at least three (3) completed residential projects or completed project phases, each resulting in actual development costs of at least \$30 million. It is acceptable to inflate historical development costs to current dollars using a commonly accepted inflation factor. The source of the inflation factor shall be identified and the figures provided in this requirement including the actual costs incurred. A phase or project is completed if at least 200 units have received a certificate of occupancy or similar occupancy permit and lease-up has begun. A phase or project is completed if at least 200 units have received a certificate or similar occupancy permit and lease up has begun. These “*financed*” residential projects do not have to be the same projects discussed in number 1 and 2, above.

6. Additions to Appendix H, Glossary of Selected Terms:

Asset Management: *Asset Management includes making or providing counsel on both operational and financial decisions impacting the value of the asset. This includes making decisions on the effectiveness of the Property Manager to perform their functions as well as cost benefit analysis of major capital improvement decisions, distributions of cash flow, ownership changes, taking down or repaying additional debt or equity, etc. Asset management in this context is an ancillary service provided by the property manager for an additional fee to provide stewardship services to the entity holds the asset. This service could include providing administrative oversight to the entity, including*

coordinating the ownership meetings, facilitation of the Major Decision process, as well as accounting and reporting of consolidated operations and development for the entity.

Capital Formation: *Capital formation is synonymous with structured financing. Structured financing involves creating the ownership structures that will raise the debt and equity to fund the project cost.*

Property Management: *Property management is the on site management of the day to day activities of a real estate asset. The property manager is hired by the owner of a property and rated on the ability to carry out functions in a manner which produces the maximum net operating income for the asset over a long term horizon. This includes: 1) Leasing - Actively marketing the asset to produce the highest occupancy rate at the highest possible rental income. 2) Operations - Providing the highest level of service to occupants at the lowest cost possible with the objective of attracting and retaining occupants. This includes, common area amenities (pools, club houses, tot lots, jogging trails etc.), property accounting, landscaping, trash removal, etc. 3) Maintenance and Repair - This includes on-going maintenance of occupied units, common areas as well as maintenance on units during turnover. Turnover maintenance may include; cleaning, carpet replacement and painting the unit. 4) Capital Improvements - The service is typically related to minor capital improvements such as carpet replacement, appliances, or other individual units or common area replacements. The property owner will typically contract separately for major capital improvements to an asset, although the property manager may be involved in the coordination of a that improvement.*

Lease: *A signed contract between the property owner or authorized agent and an occupant granting use of real property during a certain period in exchange for a specified rent.*